



Defense Supply Center Richmond

Business Systems Modernization: Changing the way DLA does Business



Meggan McCarter, Division Chief
Leidi Bradbury, Procurement Branch Chief



DSCR Business Conference

June 8-10, 2004



Overview

- **BSM Overview & Business Blueprint**
- **BSM Organizational Structure - Supply Chains, Integrated Supplier Teams (ISTs)**
- **BSM Timeline - Concept Demo and Future Releases**
- **System Changes**
- **Other BSM Related Changes**
- **Communication Channels**



The BSM Scope

- BSM, the System, replaces two legacy materiel management systems, SAMMS and DISMS, and various extension systems used at DLA Inventory Control Points
- These systems are technologically and functionally obsolete: difficult and expensive to maintain
- These systems do not support our vision

***BSM enables achievement of the DLA Strategic Plan, DoD Logistics Strategic Plan, and JV 2020
(Concept of Focused Logistics)***



Business Systems Modernization is ...

- **Major Transformation Effort--Massive Change for our Workforce, Creation of an Enterprise**
- **Incorporating Best Practices via Commercial-Off-The-Shelf (COTS) Based Tools**
- **BSM Replaces 30 year old Materiel Management Systems ... and our processes were embedded in those systems**
- **The Core of DLA's Enterprise Architecture**

**BSM is on
Schedule
and within
Budget**



Why DLA Needs to Modernize Its Business Systems...

- **Legacy systems do not meet current and future operational needs**
 - **Does not support Joint Vision 2020, DoD Force-Centric Logistics and DLA Strategic Plan**
 - **Does not support changing business rules**
- **Obsolete code and outdated/inflexible technology**
- **No real-time access to logistics data**
- **High maintenance costs, increasing unreliability.**

Legacy environment does not support DLA's Vision for Warfighter Customer Support



BSM Program Summary

Expected Benefits:

- **Improved demand forecasting accuracy**
- **Better stock positioning**
- **Improved financial accountability**
- **Achieve auditable financial statements**
- **Retire 15 legacy systems**
- **Reduce risk of catastrophic failure**

Distribution Planning

Load Planning

Network Warehouse

Management

IT Systems Integrated w/Partners

Manage Vendor & Carrier

Performance

Business Systems

Modernization

- Planning
- Financial Management
- Procurement
- Tech and Quality

Customer Relationship Management

- Customer Insight
- Customer Service
- Emergent Problem Resolution
- Returns Management

Supplier Relationship Management

- Strategic Materiel Sourcing
- Strategic Supplier Alliances
- Supplier Partnering

ent Systems Architecture (SAP/Manugistics)

Data Architecture (Integrated Data Environment)

Technical Architecture (Common Protocols and Standards)

Technical Infrastructure (Enterprise Telecommunication Network/Data Center)



BSM Business Blueprint Core Processes

The Five Core Supply Chain Processes

•Planning

- Understanding customer needs (Demand Planning)
- Matching resources and positioning materiel to meet needs (Supply Planning)

•Order Fulfillment

- Delivering materials and services to meet customer needs.
- Managing customer relationships

•Procurement

- Identifying, qualifying and contracting with suppliers to meet customer needs



BSM Business Blueprint Core Processes

The Five Core Supply Chain Processes (Cont'd)

- **Technical and Quality**
 - Processing product changes
 - Supporting procurement activity
 - Assuring product quality
- **Financial Management**
 - Defining and managing budgets
 - Product pricing and cost management



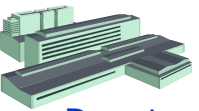
Customer
Processes



Operations



Readiness



Depot
Maintenance



Base/Post
Operations

Standards-based Interoperability

DLA Target Architecture

Web Portal

Security Authentication

Corporate Information Services,
Translation, Information Exchange, Reference



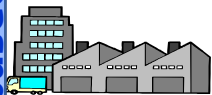
Enterprise Integrated Data Environment

Standards-based Interoperability

Supplier/
Partner
Processes



Transportation



Manufacturing



Distributors



Financial
Management



Business Strategy

**Business
Strategy**
*Customer
Focused*

**Enabling
Functionality**

**Business
Outcome**

- Demand planning by Customer
- Collaboration
- Time-phased Inventory Plan
- Available to Promise
- Online Account Visibility
- Streamlined Item Introduction
- Comprehensive Product Lifecycle Management

**Supplier
Focused**

- Supplier Performance and Management
- Capable to Promise
- Web-based Procurement
- Pay on Receipt

**Financial
Stewardship**

- CFO Compliance
- Financials Integrated with Business Transactions
- Change in Inventory Valuation Methodology

**Process
Orientation**

- Single Instance
- One Enterprise

- **Reduced Inventory**
- **Reduced Cycle Times**
- **Improved Customer Service**
- **FFMIA Compliance**

Managing the Strategy to Achieve Business Results

Procedures, and



BSM

business systems modernization
delivering 21st century logistics

Supply Chains of DLA

Owner	DSCR	DSCC	DSCC	DSCP	DSCP	DSCP	DSCP	DESC
	Aviation	Land	Maritime	C&T	Medical	Subsistence	C&E	Energy
Supply Chain	- Aviation OEM - Aviation & Airframes - Aviation SC Commodities - SMSG - Supplier Support 	- Division 1 - Division 2 - SRM/SMSG - Supplier Support 	- Valves/ Hardware - Fluid Handling - SMSG - Supplier Support - Active Devices - Passive Devices - Electrical Devices - Electronic Devices 	- Recruit Clothing - Organizational Clothing Equipment - SMSG - Supplier Support 	- Pharmaceutical - Medical/ Surgical Equipment - SMSG 	- Institutional Feeding - Operations Rations - Produce - Supplier Support 	- Construction - Equipment - SMSG - Supplier Support 	
	BSM							FAS



Aviation Customer Operations Organization

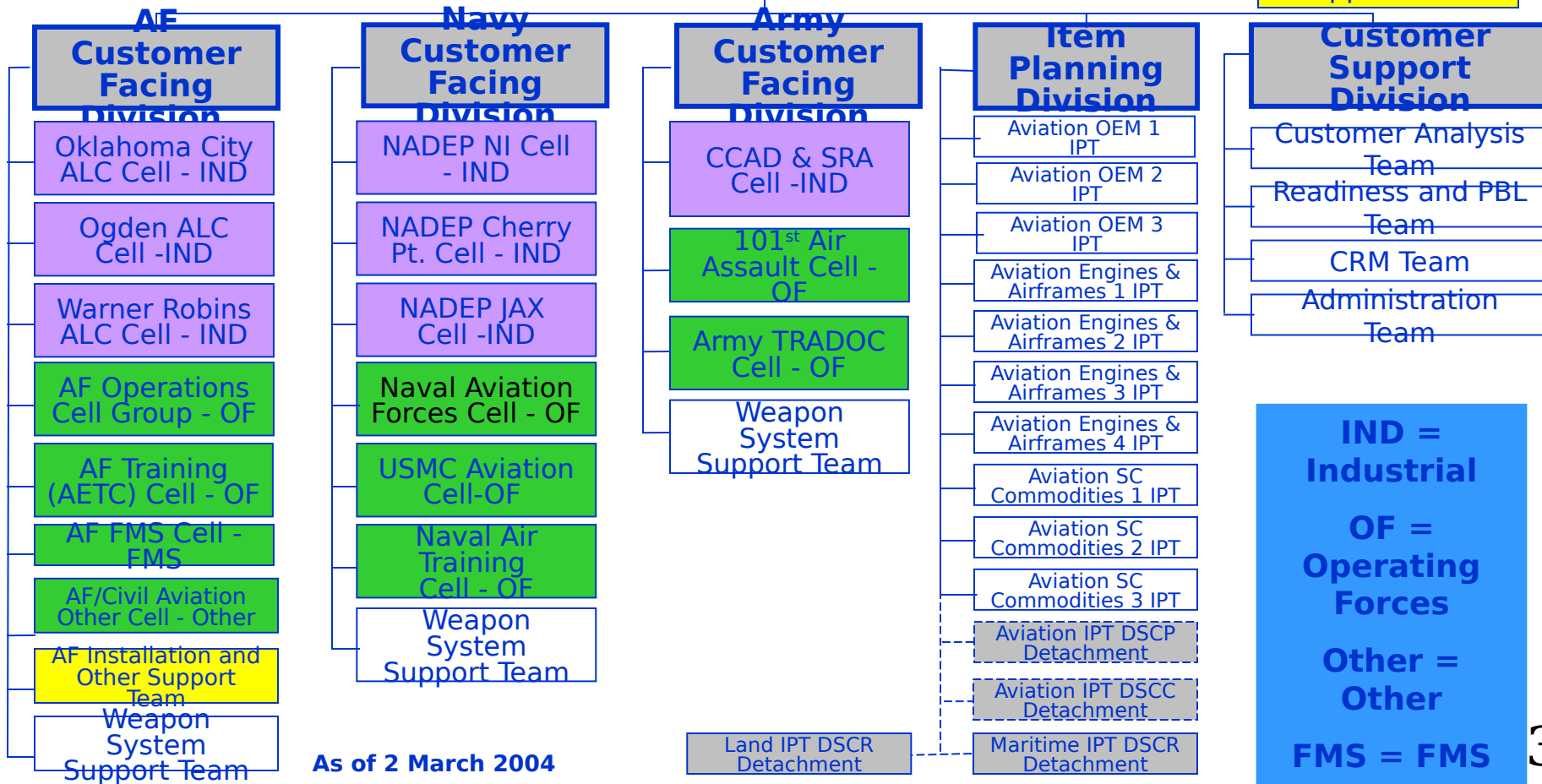
D/DD DSCR

Universal CAS

Matrixed CASs

Segment Support Team

Aviation Customer Operations Directorate
Director/Deputy Director Customer Operations





Proposed Supplier Operations Organization Design

D / DD DSCR

Aviation Supplier Operations Directorate

Director/Deputy Director Supplier Operations

SRM

Aviation OEM Division

OEM Branch 1

- Sikorsky IST
- Bell IST
- BF Goodrich IST
- Eaton IST
- Misc. Aviation OEM IST
- Smiths IST
- BAE IST
- Future ISTs

OEM Branch 2

- GE IST
- Honeywell IST
- Pratt & Whitney IST
- Rolls Royce IST

OEM Branch 3

- Boeing IST
- Lockheed Martin IST
- Parker Hannanfin IST
- Northrop Grumman IST
- Hamilton Sundstrand IST

Aviation Engines & Airframes Division

Aviation & Airframes Branch

- Airframes I IST
- Airframes II IST
- Airframes III IST

Aviation & Airframes Branch

- Airframes IV IST
- Airframes V IST
- Airframes VI IST

Aviation & Airframes Branch

- Airframes VIII IST
- Airframes IX IST
- Airframes X IST

Engines & Airframes Branch

- Airframes VII IST
- Engines I IST
- Engines II IST
- Misc. Aviation Engines & Airframes IST

Aviation SC Commodities Division

Chemicals/Rings/Shims/Spacers Branch

- Chemical/Petroleum Industrial Gases IST
- Bushings / Rings / Shims / Spacers I IST
- Bushings / Rings / Shims / Spacers II IST

Electrical Components & Cables Branch

- Electrical Components IST
- Cables I IST
- Cables II IST
- Power IST
- Misc. Components & Cables IST

Instrumentation & Non-NSN Branch

- Instrumentation I IST
- Instrumentation II IST
- Special Purchase/New Item IST

SMSG Division

Special Acquisitions Contracting 1

- Corporate Contracting 2
- Corporate Contracting 3
- Corporate Contracting 4
- Specialized Support

Planning Requirements

- Pre-Award
- Post-Award
- Kitting

Industrial Preparedness

- DSO DSCC
- DSO DSCP

Special Projects

Supplier Support Division

PACE Second Look Branch

- Resolution Specialist Branch
- Packaging Branch
- Financial Branch
- Management Analysis Branch

DSCC Aviation Detachments

- Division 1
- II IST
- III IST

Division 2

- I IST
- IV IST

SMSG Division

- SSA IST

Supply Support Division

Aviation Detachments

DSCP Aviation Detachment

- Threaded Fasteners Division
- FSC 5305 I IST
- FSC 5305 II IST
- FSC 5306 IST
- FSC 5307 IST
- FSC 5325 IST

Non-Threaded Fasteners Division

- FSC 5310 I IST
- FSC 5310 II IST
- FSC 5315 I IST
- FSC 5315 II IST
- FSC 5320 IST

Aviation SMSG

- IPV Ground/Aviation
- IPV Aviation

Gen. II Worldwide Support

- Long Term Contracts
- Strategic Material Sourcing
- Corporate Contracts

Support Staff

- Supply Support Division
- Cherokee Support

Detachments at DSCR

Maritime Branch 1

- Bearings I IST
- Bearings II IST
- Bearings III IST

Maritime Branch 2

- Motors IST
- Maritime Instruments IST
- Maritime Misc. IST
- Maritime SSA IST

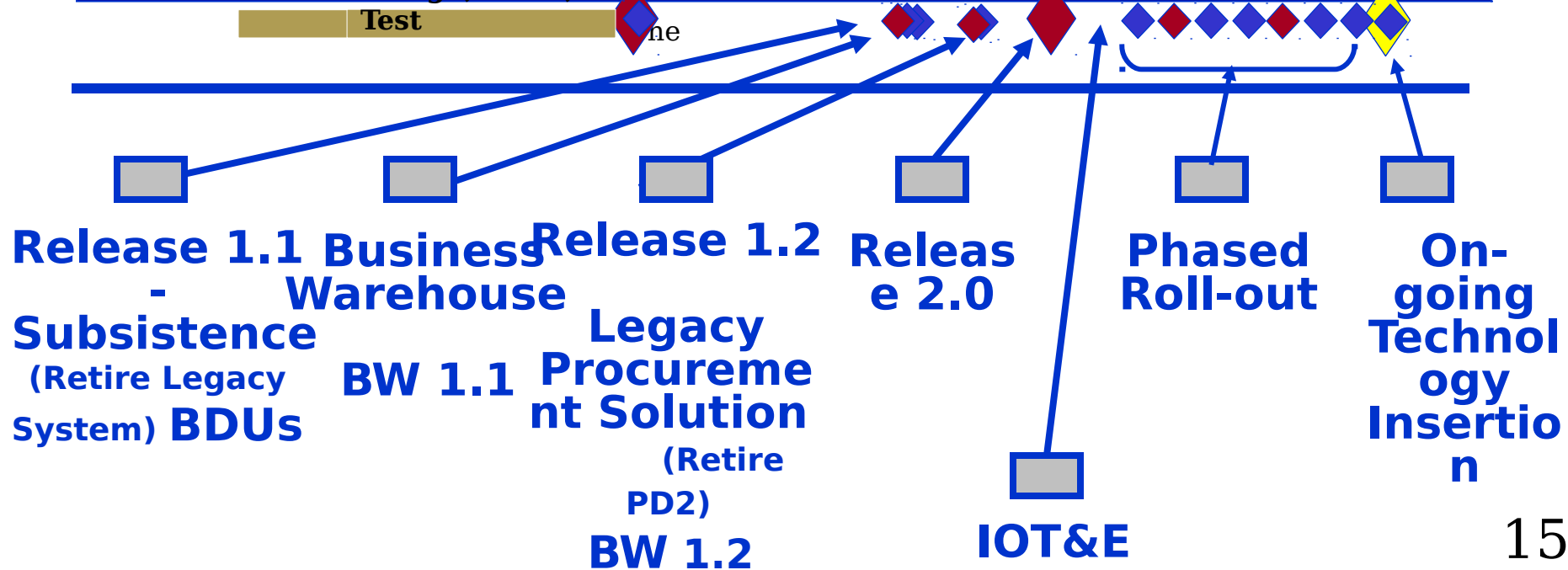
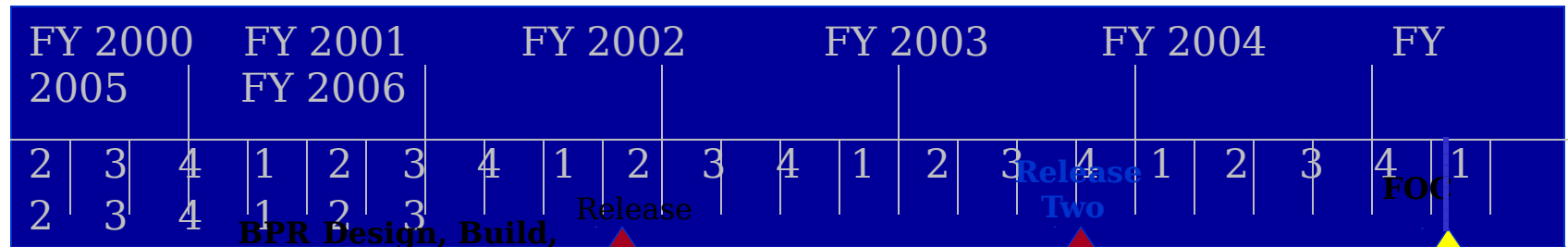
Land Branch

- Batteries I IST
- Batteries II IST
- SSA/Land Misc. IST



BSM Schedule

= System Functionality
 = Users and Materiel
 = Full Operating Capability





BSM Concept Demo: Release 1 Population Across DLA

- **Select Helicopters**
(UH-1, H-3, H-46, and H-53)
- **Terminal Lugs & Insulation Sleeving** (FSCs 5940 & 5970)
- **Maritime Carrier and Sub-Surface Teams** (LM-2500 Engine)
- **Medical/Surgical Fleet Prime Vendor**
- **Battle Dress Uniforms**
- **Garrison Feeding**
(Southeast Region Prime

**Full list of
NSNs available
on BSM website**

**150,000 Items
17,000
Customers
400 Users
\$500M Sales
Annually**



DSCR Concept Demo NSN Population



Helos

Category	# NSNs
UH-1 Iroquois (02A)	1
H-3 Green Giant (15F)	
H-46 Sea Knight (40N)	2,772
H-53 Super Jolly (16F)	888



**5940,
All FSCs**

Lugs and Sleeving	41,480
Support for LM2500	163
Related Items	7

48,016



Note: Counts may change marginally pending final NSN update



BSM Concept Demonstration Bottom Line

- **Business Volume since Jul 02*:**
 - **Orders Received 667.4K**
 - **Orders Filled 417.9K**
 - **Purchase Requisitions 224K**
 - **Purchase Orders 249K**
 - **Vendor Payments \$436.7M**
 - **Customer Sales \$539.7M**
- **Inventory Value being managed within BSM: over \$348 million**
- **Material Release Order processing time improvement:**
 - **Receipt of requisition to release of material**
 - **45-60 minutes in BSM vice 12 hours in legacy system**



Lessons Learned from Release One Concept Demo

- **Too much change management is not enough**
- **Identified functional areas requiring redesign or enhancement**
- **Data was not readily accessible**
- **Inadequacy of procurement COTS solution**
- **Need for more robust test program**
- **Validated importance of top leadership involvement and program management processes**



What We Are Doing Differently Moving Forward

- **Properly setting expectations and enhancing training program**
- **Enhancing functionality**
- **Utilizing Business Warehouse for generation of reports**
- **Changing the procurement solution**
- **Enhancing performance stress testing**
- **Building single portal access and establishing single Agency help desk**
- **Incremental implementation approach by expanding Concept Demonstration**
- **Maintaining program management processes and discipline**



SAP eProcurement Project

- **Possible future DLA Contract Writing Tool**
- **R/3 Used as the backbone, version 4.0**
- **Goal is to have a seamless application, which will tie into all other DLA processes.**
- **DLA partnering with Accenture, SAP America and SAP Germany.**
- **eProcurement and BSM (DPACS retrofit) are working simultaneously**
 - **Identifying DLA requirements**
 - **Identifying software issues**



Project Overview Release One and Two

Project Overview Release One and Two

Project Description

- Partnership between DLA, Accenture, and SAP to build an integrated, public sector version of SAP's supplier relationship management (SRM) solution

Project Scope

- Release 1 - Automated Delivery Order Process
- Release 2 - Automated Simplified Acquisition Process, Complex Document Generation, Records Management

- SAP proposing to deliver functionality in two releases (Release 1 and Release 2A and 2B)

	Release 1		Release 2	
Requirements (Use Cases)	Phase 1	Dec 13, 2002	Phase 2	Aug 1, 2003
Functional Scope (Specifications)	Phase 1	March 19, 2003	Phase 2	May 7, 2004
Software Delivery	Phase 1	Oct 24, 2003	Phase 4	Oct 18, 2004
Acceptance	Phase 1	Dec 19, 2003	Phase 4	May 30, 2005
			Phase 4	Nov 30, 2005

Note: Phase 4A/4B proposals currently being prepared for evaluation by DLA



System changes regarding May 3, 2004 Procurement Retrofit Go-Live

- The enterprise version of the DLA Pre-Award Contracting System (DPACS) replaces Procurement Desktop Defense (PD2) for contract writing**
- DLA-BSM Internet Bid Board System (DIBBS) replaces Solicitation Response website (SRweb) for solicitation and award posting**
- Procurement Automated Contracting Evaluation (PACE) replaces Offer Evaluation website (OEweb) for automated evaluation of vendor proposals.**
- Electronic Contract File (ECF) will function as the electronic contract file for all contract documentation.**



Software DLA DIBBS (Solicitation Response) & PACE (Offer Evaluation)

- **Vendor registration**
- **Post solicitations/awards to the web**
- **Process vendor quotes**
- **Automated quote evaluation**
- **Process awards**
- **Fast Awards**



DLA DIBBS

- **Web-based application that will become DLA's singular vendor quoting application by 2006**
- **Vendors can:**
 - **Search for and view RFQs, RFPs, IFBs, amendments, awards, and modifications**
 - **Submit secure quotes online for RFQs**
- **Solicitations, amendments, awards, and modifications for BSM NSNs will no longer be posted to Procurement Gateway or SRweb.**
- **Solicitations under \$100,000 posted to DIBBS are candidates for award under the automated evaluation program PACE (Procurement Automated Contracting Evaluation)**



DLA DIBBS Registration

- **Registration began on April 19, 2004**
- **If a vendor's CAGE is already registered on the DSCC Internet Bid Board System by March 28, 2004, their registration information, including passwords, will be transferred to DLA DIBBS**
- **In order to activate the DLA DIBBS account, the vendor's Super User will need to go to <https://www.dibbs.bsm.dla.mil/> and update their associated account and vendor profile.**
- **Vendor's that have not registered will need to go to the same website shown above.**



DLA DIBBS Quoting

- **Supports single solicitation responses**
- **Allows batch quoting**
- **Enables “Fast Track” quoting**
- **Accommodates reverse auction solicitations**
- **Does not accept vendor proposals/bids for formal acquisitions (RFPs/IFBs over \$100,000)**
 - **Still send to appropriate bid clerk**



DLA-BSM Internet Bid Board System Board System (DIBBS) - Opening Screen

DSCC InterNet Bid Board System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Search Favorites Media

Address <http://dibbs.dsccl.dla.mil/> Go Links

Welcome to the **DSCC InterNet Bid Board System**

DSCC Internet Bid Board System (DIBBS) is a web-based application that provides the capability to search for, view, and submit secure quotes on DSCC Requests For Quotations (RFQs). The DIBBS system also allows DSCC's Request For Proposals (RFPs) and Invitations For Bid (IFBs) to be searched and viewed online.

- [Frequently Asked Questions ~ FAQ](#)
 - This page highlights the "Frequently Asked Questions" with the DIBBS system such as registering, log in, searching and quoting.
- [Technical Requirements and Registration for Quoting](#)
- [DSCC Acquisition Forecast](#)
- [Solicitations](#)
 - [DSCC Requests for Quotation \(RFQ \) Search](#)
 - [RFQ Auction](#)
 - [DSCC Requests for Proposal \(RFP \) / Invitation For Bid \(IFB\)](#)
 - [Other DSCC Opportunities](#)
- [Awards](#)
 - [DSCC Awards Search](#)
 - [DSCC Award Data Downloads](#)
 - [DSCC Abstracts of Offers Search \(Large Purchase\)](#)
 - [DOD Procurement Gateway](#)
- [References](#)
 - [Provisions & Clauses](#) (Including DSCC Master Solicitations)
 - [DIBBS On-Line Quoting Help](#)
 - [PACKAGING - Specifications, Standards, and Manuals](#)
 - [Technical Data](#)
 - [DSCC/BSM Bidset Interface](#)
 - [Military Specifications & Drawings \(MIL-SPECS\)](#)
 - [Qualified Product List \(QPL\) / Qualified Manufacturers List \(QML\)](#)
 - [Virtual Library](#)
 - [Services](#)
 - [Global NSN Database search](#)
 - Search all DIBBS databases for your NSN.
 - [DSCC Price History](#)

Registered User Log In



DIBBS - Solicitation Search screen

DSCC Requests for Quotation (RFQ) - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Search Favorites Media Print

Address http://dibbs.dscc.dla.mil/RFQ/ Go Links

DSCC Internet Bid Board System Display Date/Time: 4/1/2004 8:41:53 AM Julian Date: 92

Home Solicitation RFQs RFP/IFBs Awards Refs Services Downloads Notices Feedback

DSCC Requests for Quotation (RFQ)

RFQ Search Recent RFQs RFQs by Issue Dt RFQs by Return By Dt FSCs RFQ Auctions

Logged OFF

IMPORTANT NOTICE
• DLA DIBBS Replacing SRweb -->>Read Notice
• Please Read Special Notice For Contractors Doing Business with DLA. -->>Read Notice

Custom Queries
Search the RFQ Database.

RFQ Database Search

Search Categories: (min. length)
☒ National Stock Number (4) ☐ Nomenclature (4)
☐ Federal Supply Class (4) ☐ Approved Part Number (4)
☐ Solicitation Number (6) ☐ Approved CAGE (5)
☐ Purchase Request Number (8) ☐ Vendor Directed RFQs (5)

Search Value(s):

Limited to 200 values.

Search Reset

Records per page: ☐ 10 ☒ 25 ☐ 50 ☐ 75

Show RFQs only for:
☐ Today ☐ Recent ☐ Open ☐ Closed ☒ All

Sorted by:
☐ Solicitation ☐ Issue Date
☒ NSN ☐ Return By Date
☐ PR ☐ Nomenclature

Then By:
☐ Solicitation ☐ Issue Date
☒ NSN ☐ Return By Date
☐ PR ☐ Nomenclature

Show Only:
☐ Items with Bid Sets ☐ Fast Award Candidates ☒ F
☐ Small Business Set Asides ☒ SB ☐ IDPO Solicitations ☒ IDPO

Text Search
Search the text of all RFQs for any word(s) or phrase(s).

RFQ HTML Text Search
Enter your query:

Modified: at any time.
Execute Clear

Additional Text Search Help

Search Examples:
Combination Text, Phrase:
Enter: RESISTOR* AND "WIRE WOUND"
Results yield documents containing the word RESISTOR, phrase "WIRE WOUND"

Enter: RESISTOR* AND "WIRE WOUND" AND NOT "VARIABLE"
Results yield documents containing the word RESISTOR, phrase "WIRE WOUND" BUT NOT with the word VARIABLE

Search Help



DIBBS - Search Results

DSCC RFQs Approved CAGE Search Results - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address http://dibbs.dscclia.mil/rfq/rfq_records.asp

DSCC Internet Bid Board System Display Date/Time: 4/1/2004 8:44:32 AM Julian Date: 92

Home Solicitation RFQs RFP/IFBs Awards Refs Services Downloads Notices Feedback

DSCC RFQs Approved CAGE Search Results

[RFQ Search | Recent RFQs | RFQs by Issue Dt | RFQs by Return By Dt | FSCs | RFQ Auctions]

Logged OFF

IMPORTANT NOTICE

- DLA DIBBS Replacing SRweb --> [Read Notice](#)
- Please Read Special Notice For Contractors Doing Business with DLA. --> [Read Notice](#)

All RFQs for Approved CAGE Like 02LU7 sorted by NSN.

Records 1 thru 4 of 4 Records.
Page: 1 of 1
Click on the Solicitation # to view the RFQ & NSN/Part No. to view additional info..

#	NSN/Part No. Nomenclature	Bidset/ Drawings	Spec/ Std	Solicitation #	Auction Status	PR # PR QTY	Buyer	Issue	Return By
1	4810-01-513-6637 SLEEVE, DIRECTIONALCON	None	None	SP070004TB766	Quote	YPC03308000231 qty 4	MDAE3	11/4/2003	11/18/2003
2	4810-01-517-2913 BODY, VALVE	None	None	SP070004TFJ63	Quote	YPC04055000095 qty 7	MDAE3	2/24/2004	3/9/2004
3	5905-01-481-6924 RESISTOR, VARIABLE, NON	None	None	SP090503XK086 Info	HELP	YPE02308000667 Indefinite Qty - See Solicitation	CPBAZ	12/4/2002	12/18/2002
4	5915-00-912-5873 FILTER, RADIOFREQUENCY	None	None	SP090004TDZ88	Quote	YPE04086000175 qty 2	POC	3/26/2004	4/9/2004

Page: 1 of 1

New Approved CAGE Search?

Search categories: Approved CAGE (5) Search Value(s): 02LU7

Search Reset

Page Size: 25 records per page. All RFQs sorted by: NSN and then NSN

Show Only:

☐ Items with Bid Sets [DWG](#) ☐ Fast Award Candidates [F](#)

☐ Small Business Set Asides [SB](#) ☐ IDPO Solicitations [Info](#)

Privacy and Security Notice External Link Disclaimer Notice

Back Top



DIBBS - Request for Quotation (RFQ)

SP070004TB766 - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Reload Home Search Favorites Media Print Mail News RSS Feeds

Address <http://dibbs2.dscc.dla.mil/downloads/rfq/6/SP070004TB766.html> Go Links

REQUEST FOR QUOTATION (THIS IS NOT AN ORDER)				
DLA, DEFENSE SUPPLY CENTER COLUMBUS 3990 EAST BROAD STREET P.O. BOX 16704 COLUMBUS, OH 43216-5010				
REQUEST NO.	DATE ISSUED	RETURN BY	DELIVER BY:	PURCHASE REQUEST NUMBER
SP070004TB766	11/04/03	11/18/03	08/27/04	YPC03308000231
SOLICITATION POC				
Questions regarding this solicitation (quote submittal, solicitation requirements, item description, drawings, alternate offers, award choice, etc.) should be e-mailed to dibbs@dscc.dla.mil. Email will be answered within 1 business day. If the solicitation return date falls on the same day as your email request, include the return date in the subject line so that the response can be expedited. For immediate assistance, please refer to the Frequently Asked Questions (FAQs) at http://dibbs.dscc.dla.mil/Refs/FAQ/ on the DSCC Internet Bid Board System (DIBBS).				
NSN or Part Number		Unit of Issue	Quantity	
4810-01-513-6637		EA	4	
Rating	FOB	North American Industry Classification System	Small Business Size Standard	
DOC9	DESTINATION			
QUOTING INFORMATION				

Done Trusted sites



Additional Vendor Information for Concept Demo

- **Most BSM contracts will have contract numbers beginning with “SPM...” (e.g., SPM400-02-M-1234)**
- **DFAS payment office and accounting line will be unique for BSM contracts (during Concept Demo)**
- **SubCLINS will not be used in BSM (e.g., for phased deliveries)**



Selected BSM Process Improvements

- **Single entry point for quoting and solicitation/award viewing (DLA DIBBS)**
- **Auto fill-in of vendor-specific information to minimize quoting time (DLA DIBBS)**
- **Visibility of contracts across the enterprise including long term contracts**



Communication Channels

Regular updates on...

BSM website:

<http://www.dla.mil/j-6/bsm/SIRC>

DLA DIBBS website:

<https://www.dibbs.bsm.dla.mil/>

Procurement Gateway

<http://progate.daps.mil/home/>



Questions?

DSCR Procurement Site Transition POCs

Heidi Bradbury - Heidi.Bradbury@dla.mil

**(eProcurement)Chris Hutnan -
Chris.Hutnan@dla.mil**

Meggan McCarter - Meggan.McCarter@dla.mil

